

**STATE OF MICHIGAN
DEPARTMENT OF LABOR & ECONOMIC DEVELOPMENT
OFFICE OF FINANCIAL AND INSURANCE SERVICES
Before the Commissioner of the Office of Financial and Insurance Services**

In the matter of:

**Hieu Van Le, Managing Member
Loan Depot, LLC**

Enforcement Case No. 04-2957

Respondent

**To: Mr. Paul C. Gracey, Esquire
312 Touraine Court
Grosse Pointe Farms, Michigan 48236**

**Issued and entered
This 14th day of December, 2004
by Linda A. Watters
Commissioner of Financial and Insurance Services**

CONSENT ORDER

**I.
BACKGROUND**

Loan Depot, LLC (“Loan Depot”) is a Michigan-domiciled limited liability company that has made application for licensure as a mortgage broker under the Mortgage Brokers, Lenders, and Servicers Licensing Act (“MBLSLA”), Act No. 173 of 1987, as amended, MCL 445.51 *et seq.* Hieu Van Le is the sole member of Loan Depot. Respondent is not licensed by the Office of Financial and Insurance Services (“OFIS”) pursuant to the MBLSLA or any other consumer finance statute regulated by OFIS. In reviewing Loan Depot’s application, OFIS staff determined that Respondent was already conducting mortgage-related activities which

require licensure as a mortgage broker under the MBLSLA. Respondent and OFIS staff have conferred and have agreed to resolve this matter according to the terms set forth below.

II. FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. Hieu Van Le entered into an independent contractor arrangement with licensee, Richland Mortgage Company, license no. FL-2221. The agreement began on January 2, 2001 and continued until March 2, 2002. On March 2, 2002, Mr. Le entered into a similar independent contractor agreement with licensee, Great Lakes Mortgage Services Corporation, license no. FL-2274. This second agreement continued until October 15, 2003 when Mr. Le entered into a third independent contractor agreement with Finance One Mortgage Service Corporation.

2. Hieu Van Le submitted IRS Form 1099 for the tax year 2003, which identify income in the following amounts: Richland Mortgage Company, \$12,150.95; Great Lakes Mortgage Services Corporation, \$18,870.96; and Finance One Mortgage, L.L.C., \$32,623. Mr. Le's 1099 income for tax years 2001 and 2002 is unknown..

3. Section 2(1) of the MBLSLA prohibits a person from acting as a mortgage broker, lender or servicer without a license or registration.

4. Section 2(3) of the MBLSLA prohibits a residential mortgage loan originator (also known as a loan officer) from receiving directly or indirectly any compensation, commission, fee, points or other remuneration from anyone other than his/her employer.

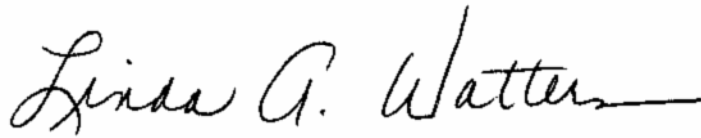
5. Respondent conducted first lien mortgage business without the requisite license certificate required under Section 2(1) of the MBLSLA.

III. ORDER

It is ORDERED that:

1. Respondent shall cease and desist violating sections 2(1) of the MBLSLA.
2. Respondent shall pay to the Office of Financial and Insurance Services an applicable civil penalty of \$1,000.00.
3. Respondent shall maintain a program to monitor and ensure compliance with all state and federal consumer laws and regulations relating to all mortgage activity conducted by Respondent.
4. Respondent shall educate itself and all employees of Respondent with respect to all state and federal consumer laws and regulations, including the Mortgage Brokers, Lenders, and Servicers Licensing Act.
5. Respondent shall review and comply with the OFIS Consumer Finance Bulletin No. 2003-09-CF, posted on the OFIS website, which clarifies mortgage net branching in Michigan.
6. Respondent shall designate a compliance officer, and notify the Office of Financial and Insurance Services of the compliance officer's name and business address, to ensure that Respondent is in compliance with all applicable state and federal laws. Respondent shall notify the Office of Financial and Insurance Services of any change in designation of the compliance officer within 30 days of such re-designation.

The Commissioner retains jurisdiction over the matters contained herein and has the authority to issue such further order(s) as she shall deem just, necessary and appropriate in accordance with the provisions of the MBLSLA. Failure by Respondent to abide by the terms and provisions of this Order may result in the commencement of additional proceedings.

A handwritten signature in black ink that reads "Linda A. Watters". The signature is written in a cursive style with a horizontal line at the end.

Linda A. Watters
Commissioner of Financial and Insurance Services